



USDA Foreign Agricultural Service

# GAIN Report

Global Agriculture Information Network

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## Russian Federation

### Trade Policy Monitoring

## Cocoa Bean Import Duties Suspended for Nine Months

**2005**

**Approved by:**

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**Report Highlights:**

Russian government allows duty free imports of cocoa beans for 9 months starting January 20, 2006 to meet the growing demand of the domestic confectionary industry.

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Includes PSD Changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Moscow [RS1]  
[RS]

On December 20, 2005, the Russian Government issued resolution #771 that suspends the 5 percent import tariff on cocoa beans for 9 months starting January 20, 2006. The temporary duty free imports of cocoa beans, whole, or broken, raw or roasted, is the result of the lobby of the Russian confectionary industry that processed more than 65,000 metric tons of imported beans in 2004, up 8 percent from 2003. Due to the growth of this industry, demand for cocoa beans increases, and in January through September 2005, Russia imported 5 percent more beans than in the same period last year. According to the Association of Russian Confectionary Industry, the industry has the capacity to process up to 120,000 metric tons of cocoa beans annually, and zero import duty will further boost bean imports. Revenues from increased imports and processing of cocoa beans are said to offset losses from suspension of 5 percent import duty. More than 80 percent of cocoa beans are imported from Cote d'Ivoire, while the rest are shipped from Ghana and Nigeria.

Text of the Resolution #771 of December 20, 2005

Begin text:

**"On Temporary Custom Tariff on Cocoa Beans, Whole or Broken, Raw or Roasted"**

The Government of the Russian Federation decrees the following:

1. To approve for a period of 9 months import custom tariff on cocoa beans, whole or broken, raw or roasted (Russia's TN VED code 1801 00 000 0), as per Customs Tariff of the Russian Federation approved by the Resolution of the Government of the Russian Federation #830 of November 30, 2001 "On the Customs Tariffs of the Russian Federation and Commodity Codes, Used in the Implementation of Foreign Economic Activity" (Collection of Laws of the Russian Federation, 2001, #50, article 4735), at the level equal to zero.
2. The present Resolution enters into force one month from the date of its official publication.

Chairman of the Government  
Of the Russian Federation

M. Fradkov

Moscow  
December 20, 2005  
#2635

End Text

Note: The commodities are defined by codes of the Customs Nomenclature of the Russia's Foreign Trade Activity Russia's TN VED. The codes are close or similar to the HS codes.